UNITED STATES PATENT AND TRADEMARK OFFICE Trademark Trial and Appeal Board P.O. Box 1451 Alexandria, VA 22313-1451

Lykos

Mailed: January 31, 2005

**Opposition Nos.** 91115866 and 91157981

Cancellation Nos. 92028126; 92028127; 92028130; 92028133; 92028145; 92028155; 92028171; 92028174; 92028199; 92028248; 92028280; 92028294; 92028314; 92028319; 92028325; 92028342 and 92028379

Prairie Island Indian Community, Plaintiff

v.

Treasure Island Corp., Defendant

## (as consolidated)

Before Hohein, Walters, and Drost, Administrative Trademark Judges.

By the Board:

On April 20, 2004, and June 22, 2004, the Board ordered defendant to show cause why the cancellation of the registrations involved in Cancellation Nos. 92028127, 92028174, 92028294, 92028314, 92028319, and 92028325 under Section 8 of the Trademark Act should not be deemed to be the equivalent of a cancellation by request of defendant without plaintiff's consent, and should not result in entry of judgment against defendant as provided by Trademark Rule

2.134(a). This case now comes up for consideration of defendant's responses to the Board's orders to show cause. Plaintiff has filed briefs in opposition to defendant's responses to the orders to show cause.

By way of relevant background, in 1998, plaintiff filed separate petitions to cancel seventeen (17) registrations owned by defendant. In each case, cancellation was sought on the grounds of priority of use and likelihood of confusion under Section 2(d) of the Trademark Act. The Board instituted individual proceedings in 1998 and 1999, and ordered its first set of consolidations on March 2, 1999. The records of the USPTO show that, during the course of these consolidated proceedings, six registrations were cancelled because defendant failed to file an affidavit/declaration under Section 8 of the Trademark Act.<sup>2</sup>

The registrations at issue are as follows:

<sup>1</sup> In Cancellation Nos. 92028127, 92028314, and 92028319, the Board inadvertently issued the show cause orders separately in each child case instead of under the parent case, Opposition No. 91115866. The parties subsequently filed their submissions in each individual child case. All future filings should be

each individual child case. All future filings should be captioned in the above manner, and filed only in the parent case.

 $<sup>^{\</sup>rm 2}$  A seventh registration was cancelled under Section 8 but subsequently reinstated.

Registration No. 1955279, for the mark displayed below,



for "hotel services" in International Class 42, cancelled on November 9, 2002;

Registration No. 1981369, for the mark TREASURE ISLAND AT THE MIRAGE THE ADVENTURE RESORT, for "hotel services" in International Class 42, cancelled on March 22, 2003;

Registration No. 1966090, for the mark TREASURE ISLAND AT THE MIRAGE, for "souvenirs, namely decorative refrigerator magnets" in International Class 9; "drinking glasses, shot glasses, cordial glasses, mugs, cups, beer steins, sport bottles, champagne glasses" in International Class 21; and "ashtrays not of precious metal" in International Class 34, cancelled on January 11, 2003;

Registration No. 1903619, for the mark displayed below,



for "clothing; namely, T-shirts, sweatshirts, jackets, jogging suits and caps" in International Class 25, cancelled July 13, 2002;

Registration No. 1943123, for the mark displayed below,



for "casino services" in International Class 41, cancelled on September 21, 2002;

Registration No. 1949379, for the mark displayed below,



for "souvenir items, namely magnetized plastic figures" in International Class 9; and "plastic and glass drinking vessels and mugs" in International Class 21, cancelled October 19, 2002.

We now turn to a review of the parties' relevant arguments. As summarized below, defendant set forth similar, but distinct responses to the orders to show cause in several cases.

In response to the orders to show cause for Registration Nos. 1955279, 1903619, and 1943123, which are the subjects of Cancellation Nos. 92028127, 92028314, and 92028319, respectively, defendant responded in each case that it "discontinued use of the mark in good faith, as a result of a business decision in terms of product placement

strategy and market positioning. The mark was not discontinued in an attempt to avoid cancellation."

In response to the orders to show cause for
Registration Nos. 1981369 and 1949379, which are the
subjects of Cancellation Nos. 92028174 and 92028325,
respectively, defendant contends that it abandoned use of
the marks as part of a "good faith business decision,"
namely, that the marks, which included the design of a
parrot, were deemed less desirable from a marketing and
advertising perspective in light of defendant's new
orientation toward adult, upscale entertainment and away
from a Robert Louis Stevenson's theme family resort.
Defendant further asserts that although it ceased use of the
marks after commencement of the proceedings, each
abandonment was not made for purposes of avoiding judgment.

In support thereof, defendant has submitted the declaration of Ms. Mary Giuliano, Vice President of Hotel Operations, attesting that defendant ceased use of Registration Nos. 1981369 and 1949379 in 1999, after the defendant embarked on an advertising campaign to market the property as a "more hip, adult themed upscale hotel and casino," and that the marks contained in the aforementioned registrations were no longer appropriate.

As to Registration No. 1966090, which is the subject of Cancellation No. 92028294, defendant asserts that inasmuch

as a Section 8 affidavit was timely filed on April 9, 2003, the cancellation was in error. In support thereof, defendant has submitted copies of the documents filed on that date along with the USPTO stamped postcard acknowledging receipt of defendant's Section 8 affidavit.

Plaintiff has filed briefs in opposition to defendant's responses arguing that judgment should be entered against defendant with respect to each of the registrations at issue. Specifically, as to Cancellation Nos. 92028127, 92028314, and 92028319, plaintiff contends that defendant's failure to file a Section 8 affidavit for the cancelled registration[s] was intentional and not the result of "mistake or inadvertence." Plaintiff further maintains that defendant cannot make the requisite showing for a determination of abandonment because it has failed to demonstrate an intent to abandon the marks two years prior to the institution of the cancellation proceedings as required by Board policy, but instead abandoned the marks well after commencement of the proceedings.

In opposition to defendant's responses to the show cause orders for Registration Nos. 1981369 and 1949379, plaintiff contends that defendant made several misstatements, the first being that Registration No. 1981369 incorporates the design of a parrot when in fact it constitutes a word mark. Second, plaintiff argues that

defendant's assertion that it discontinued use of Registration Nos. 1981369 is inconsistent with defendant's claim of continued use of another registration for the same mark for "casino services."

First, we consider Registration No. 1966090, which is the subject of Cancellation No. 92028294. Inasmuch as defendant has provided evidence that it timely filed a Section 8 affidavit, we find that the cancellation was in error. Accordingly, the show cause order is hereby discharged in Cancellation No. 92028294. Registration No. 1966090 will be reinstated.

We now turn to the remaining orders to show cause. Trademark Rule 2.134(b) provides that:

After the commencement of a cancellation proceeding, if it comes to the attention of the Trademark Trial and Appeal Board that the respondent has permitted his involved registration to be canceled under § 8 of the Act of 1946 or has failed to renew his involved registration under § 9 of the Act of 1946, an order may be issued allowing respondent until a set time, not less than fifteen days, in which to show cause why such cancellation or failure to renew should not be deemed to be the equivalent of a cancellation by request of respondent without the consent of the adverse party and should not result in entry of judgment against respondent as provided by paragraph (a) of this section. In the absence of a showing of good and sufficient cause, judgment may be entered against respondent as provided by paragraph (a) of this section.

7

<sup>&</sup>lt;sup>3</sup> Registration No. 2024221, for the mark TREASURE ISLAND AT THE MIRAGE THE ADVENTURE RESORT for "casino services" in International Class 41, Section 8 filed and accepted December 9, 2002.

The Board's policy governing the application of Trademark Rule 2.134(b) is as follows:

The paragraph has been modified to provide an opportunity for the respondent in such situations to "show cause" why judgment should not be entered against it. If respondent submits a showing that the cancellation or expiration was the result of an inadvertence or mistake, judgment will be not entered against it. If respondent submits a showing that the cancellation or expiration was occasioned by the fact that its registered mark had been abandoned and that such abandonment was not made for the purposes of avoiding the proceeding but rather was the result, for example, of a two year period of nonuse which commenced well before respondent learned of the existence of the proceeding, judgment will be entered against it only and specifically on the ground of abandonment.

See Notice of Final Rulemaking published in the Federal Register on May 23, 1983 at 48 FR 23122, 23133, and in the Official Gazette of June 21, 1983 at 1031 TMOG 13, 23. See also Marshall Field & Company v. Mrs. Fields Cookies, 11 USPQ2d 1154 (TTAB 1989) (where registrant stated that failure to file a Section 8 affidavit with respect to ground of likelihood of confusion was result of a business decision made prior to commencement of proceeding and not to avoid judgment, judgment was not entered); and TBMP §602.02(b) (2d ed. rev 2004).4

In those cases where the Board finds that defendant has

<sup>&</sup>lt;sup>4</sup> Effective January 1, 1996, Section 45 of the Trademark Act was amended to provide that three consecutive years nonuse constitutes prima facie evidence of abandonment.

shown good and sufficient cause that judgment should not be entered against it, plaintiff may be given time to decide whether it wishes to go forward with the cancellation proceedings, or to have the cancellation proceeding dismissed without prejudice as moot. See C. H. Guenther & Son Inc. v. Whitewing Ranch Co., 8 USPQ2d 1450 (TTAB 1988) and TBMP § 602.02(b) (2d ed. rev 2004).

If defendant submits a showing that it permitted its registration to be canceled because its registered mark had been abandoned, and that the abandonment was not made for purposes of avoiding the proceeding, judgment will be entered against it only and specifically on the ground of abandonment (if abandonment has not been pleaded as a ground for cancellation, plaintiff will be allowed to amend its pleading appropriately). In those instances where the Board enters judgment against defendant only and specifically on the ground of abandonment, plaintiff may be given time to decide if it wishes to go forward to obtain a determination of the remaining issues, or have the cancellation proceedings dismissed without prejudice as to those issues.

After reviewing the parties' arguments and submissions, we find that defendant is not entitled to judgment only and specifically on the ground of abandonment. In particular, the Board finds that defendant failed to set forth facts to demonstrate the requisite good cause that abandonment of the

marks in Registration Nos. 1955279, 1903619, 1943123, 1981369 and 1949379 was not made for purposes of avoiding judgment on each claim of likelihood of confusion.

Defendant's mere assertions that it discontinued use of the marks as part of a new marketing strategy are insufficient in light of the fact that the abandonments took place well after commencement of the proceedings. In addition, according to the record before us, defendant made no attempt to obtain plaintiff's consent prior to allowing expiration of the registrations at issue.

In this case, defendant's failure to file its affidavits occurred well after the proceedings commenced. Respondent has offered no explanation other than it was a business decision as a result of its changed marketing policies. Under the circumstances of this case, this statement by itself is not sufficient to show that the abandonment was not for the purposes of avoiding the proceeding.

In view of the totality of the circumstances, we find that defendant has failed to demonstrate the requisite good cause for entry of judgment only and specifically on the ground of abandonment.

Accordingly, in Cancellation Nos. 92028127, 92028174, 92028314, 92028319, and 92028325, judgment is hereby entered against defendant in each case on the grounds originally

pleaded, namely priority of use and likelihood of confusion.

The cancellation of Registration Nos. 1955279, 1903619,

1943123, 1981369 and 1949379 therefore stands.

Plaintiff is allowed until twenty (20) days from the mailing date of this order to amend its pleadings in the above referenced cancellation proceedings to add claims of abandonment, and request that judgment be entered against defendant on these claims as well.

The remaining proceedings shall proceed forward on the trial schedule as set forth below.

## Trial Dates Reset

The parties' stipulation (filed September 30, 2004) regarding matters relating to outstanding discovery requests and the resetting of trial dates is hereby approved. Trial dates are reset as follows:

THE PERIOD FOR DISCOVERY TO CLOSE: CLOSED

30-day testimony period for party in position of plaintiff to close:

April 10, 2005

30-day testimony period for party in position of defendant to close:

June 9, 2005

15-day rebuttal testimony period for plaintiff to close:

July 24, 2005

In each instance, a copy of the transcript of testimony together with copies of documentary exhibits, must be served on the adverse party within thirty days after completion of the taking of testimony. Trademark Rule 2.125.

Briefs shall be filed in accordance with Trademark Rule 2.128(a) and (b).

An oral hearing will be set only upon request filed as provided by Trademark Rule 2.129.